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AVERAGE WEEKLY EARNINGS, DECEMBER QUARTER 1974

MAIN FEATURES

- * Male average weekly earnings were \$154.20 during the December quarter 1974, an increase of \$16.30 over the September quarter.
- * After adjustment for seasonal influences such as leave pre-payments and bonuses which particularly affect the December quarter estimates, male average weekly earnings were \$146.90. This represents an increase of 4.9 per cent during the quarter, and brings the total increase during the year 1974 to 27.7 per cent.
- * Separate estimates for the Northern Territory and the Australian Capital Territory have been included in this publication for the first time.

Introduction

This publication presents estimates of average weekly earnings of civilian wage and salary earners. Earnings figures for Australia are shown for December quarter 1974 and for preceding quarters back to September quarter 1966, as well as for the financial years 1966-67 to 1973-74. Data referring to each State and Territory are shown for December quarter 1973 to December quarter 1974. Figures for each State for the financial years 1966-67 to 1973-74 are also shown.

Definition of earnings

2. The earnings figures used in the calculation of the averages comprise award and over-award wages and salaries, the earnings of employees not covered by awards, overtime earnings, bonuses and allowances, commissions, directors' fees and payments made retrospectively or in advance during the quarter. Earnings of part-time as well as full-time employees, and of juniors as well as adults, are included.

Method of estimation

3. For industries other than agriculture and private domestic service, particulars of employment and wages and salaries are derived from payroll tax returns and from direct returns from government and other bodies. These returns account for approximately 90 per cent of wage and salary earners in these industries, as published monthly in the bulletin *Employment and Unemployment* (Reference No. 6.4). Estimates are made for the unrecorded balance in terms of both numbers and earnings. The level of average earnings estimated for the unrecorded sector is approximately 80 per cent of the level shown by the direct returns. For agriculture and private domestic service, employment and earnings are estimated from other sources and are included in the calculations.

4. For employees reported on more than one payroll, all reported wage and salary earnings are included in calculation of the averages.

Male units

5. Particulars of wages and salaries paid are not available for males and females separately from the sources used for this series; average weekly earnings have therefore been calculated in terms of *male units*, i.e. total male employees plus a proportion of female employees, the proportion being derived from the estimated ratio of female to male average earnings. Different ratios of female to male average earnings are used for individual States, based on information from the annual surveys of weekly earnings and hours, from a sample survey carried out in November 1969 and from other sources. Ratios used for the current quarter are as follows: New South Wales 63 per cent, Victoria 63, Queensland 59, South Australia 58, Western Australia 57, Tasmania 61, the Northern Territory 64, and the Australian Capital Territory 60. As the number of male units used in calculating Australian average weekly earnings is the sum of the estimates for the States and Territories, a separate ratio for Australia is not used, but the weighted average of the State and Territory ratios is approximately 61.5 per cent. Changes in these ratios are necessary from time to time to reflect, for example, the extension of equal pay provisions, or appreciable and sustained changes in the levels of male overtime earnings. However, small differences in these ratios have relatively little effect on the earnings figures; if the ratio is understated by one percentage point then average weekly earnings of \$150 would be overstated by about 60 cents.

Seasonally adjusted estimates

6. Quarterly figures are affected by seasonal influences. For example, special payments, including prepayment for holiday periods, tend to raise the December quarter and to depress the March quarter averages. In addition, figures are affected by the varying number of pay-days in different quarters, (with the exception of Australian Government pay-days in the Northern Territory and the Australian Capital Territory, for which special adjustments have been made in the original series.) Allowance for these variations, and for recurring seasonal influences, has been made in calculating the seasonally adjusted estimates shown in the table.

7. The seasonal adjustment factors were derived from a series from which the influence of major changes in awards and determinations and estimates of the effects of pay-day variations had first been removed. While the seasonally adjusted series retains the effect of the major award etc. changes, the pay-day effect is excluded. A detailed description of the methods of seasonal adjustment is given in *Seasonally Adjusted Indicators, 1974* (Reference No. 1.10).

TABLE 1. - AVERAGE WEEKLY EARNINGS PER EMPLOYED MALE UNIT (a) : AUSTRALIA

Quarter	Seasonally Original adjusted (b)				Quarter	Seasonally Original adjusted (b)			
	\$	\$	%	%		\$	\$	%	%
1966 -								1971 -	
September	61.10	61.00	+4.1	+6.3	March	82.00	87.00	+5.8	+13.3
December	63.30	60.90	-0.2	+5.7	June	89.80	88.60	+1.8	+12.1
1967 -								1972 -	
March	59.50	62.10	+2.0	+6.7	March	89.20	94.10	+2.6	+8.2
June	63.70	63.30	+1.9	+8.0	June	96.70	95.20	+1.2	+7.4
September	64.40	64.50	+1.9	+5.7	September	96.80	98.00	+2.9	+8.6
December	67.10	65.10	+0.9	+6.9	December	104.10	100.10	+2.1	+9.2
1968 -								1973 -	
March	63.20	66.10	+1.5	+6.4	March	97.20	102.00	+1.9	+8.4
June	67.30	67.00	+1.4	+5.8	June	107.80	106.30	+4.2	+11.7
September	67.80	68.00	+1.5	+5.4	September	110.20	111.90	+5.3	+14.2
December	72.50	70.20	+3.2	+7.8	December	119.90	115.00	+2.8	+14.9
1969 -								1974 -	
March	68.50	71.50	+1.9	+8.2	March	113.30	119.10	+3.6	+16.8
June	72.80	72.30	+1.1	+7.9	June	128.50	126.30	+6.0	+18.8
September	74.10	74.00	+2.4	+8.8	September	r137.90	r140.10	+10.9	r+25.2
December	79.00	75.40	+1.9	+7.4	December	154.20	146.90	+4.9	+27.7
1970 -									
March	72.70	76.80	+1.9	+7.4					
June	79.40	79.10	+3.0	+9.4					
September	80.90	80.40	+1.6	+8.6					
December	86.30	82.20	+2.2	+9.0					

(a) See explanation in paragraph 5 on page 1. (b) See paragraph 6 on page 1. (c) Percentage change over previous quarter in the seasonally adjusted series. (d) Percentage change over same quarter of previous year in the seasonally adjusted series. r - revised.

TABLE 2. - AVERAGE WEEKLY EARNINGS PER EMPLOYED MALE UNIT (a) : STATES AND TERRITORIES (\$)

Period	N.S.W.	Vic.	Qld	S.A.	W.A.	Tas.	N.T.(b)	A.C.T.(b)	Australia
1966-67	63.30	64.10	57.30	57.30	59.40	58.50	..	..	61.90
1967-68	66.70	67.80	60.30	60.60	64.10	62.00	..	..	65.50
1968-69	72.30	72.40	64.50	64.80	69.00	65.70	..	..	70.40
1969-70	78.50	78.40	69.40	70.30	75.70	70.90	..	..	76.30
1970-71	87.30	86.40	78.00	77.20	84.90	78.50	..	..	84.80
1971-72	95.90	93.60	87.00	85.30	93.70	86.80	..	..	93.00
1972-73	104.30	102.50	97.00	93.00	99.00	94.40	..	..	101.50
1973-74	120.80	118.40	112.60	110.80	115.40	110.30	..	..	118.00
Original Series									
1973 -									
Dec. qtr	123.00	120.90	114.10	110.90	115.00	116.10	137.80	143.50	119.90
1974 -									
Mar. qtr	116.70	112.50	108.00	106.60	111.80	101.50	139.60	146.50	113.30
June qtr	131.60	127.80	123.70	121.90	126.10	120.40	140.80	157.90	128.50
Sept. qtr	141.10	138.70	r131.80	131.00	135.50	126.40	162.10	175.10	r137.90
Dec. qtr	158.20	155.30	148.60	143.80	147.90	145.30	163.10	181.00	154.20
Seasonally Adjusted Series									
1973 -									
Dec. qtr	117.60	115.80	110.10	107.10	111.90	109.90	136.80	143.50	115.00
1974 -									
Mar. qtr	123.10	119.40	113.70	112.10	116.70	108.80	139.40	150.10	119.10
June qtr	128.90	125.90	122.50	120.50	125.10	117.60	146.50	156.60	126.30
Sept. qtr	144.00	139.80	r132.30	131.20	135.20	129.60	157.50	173.60	r140.10
Dec. qtr	150.60	148.20	142.20	138.80	144.10	135.40	161.10	180.60	146.90

(a) See explanation in paragraph 5 on page 1. (b) Original series estimates for the Northern Territory and the Australian Capital Territory have been calculated on a basis which excluded the effects of varying numbers of Australian Government pay days in each quarter. r - revised.

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S/T 1980

NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning Mr A. N. Gray on 63 9111 extension 2350 or, in each State capital, by telephoning the office of the Australian Bureau of Statistics.